

BEFORE THE TENNESSEE REGULATORY AUTHORITY

NASHVILLE, TENNESSEE

November 27, 2000

IN RE:

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BELLSOUTH TELECOMMUNICATIONS, INC.)	DOCKET NO.
TARIFF TO OFFER CONTRACT SERVICE)	00-00724
ARRANGEMENT (TN99-3327-00))	

**ORDER GRANTING APPROVAL OF BELLSOUTH
CONTRACT SERVICE ARRANGEMENT (TN99-3327-00)**

This matter came before the Tennessee Regulatory Authority ("Authority") at a regularly scheduled Authority Conference on September 12, 2000 on the tariff filing of BellSouth Telecommunications, Inc. ("BellSouth") for approval to offer Contract Service Arrangement No. TN99-3327-00 ("CSA"). BellSouth filed Tariff No. 00-00724 on August 14, 2000, with a proposed effective date of September 13, 2000.

Based upon careful consideration of the tariff filing and the attachments thereto, the Authority made the following findings and conclusions:

1. The purpose of this CSA is to extend CSA TN98-5664-01¹ and to add certain Frame Relay service elements. Frame Relay service utilizes a special network, separate from the public switched network, for providing customers with high-speed data transport between multiple locations.

2. The term of this CSA is twenty-four (24) months.

¹ CSA TN98-5664-01 was originally approved by the Authority on February 2, 1999 in Docket No. 99-00026.

3. Through this CSA, BellSouth is waiving non-recurring charges.

4. If the customer disconnects any of the services prior to the expiration of the agreement, the termination provisions require that the customer pay BellSouth an amount equal to the sum of the discounts received during the previous twelve (12) months of service, the repayment of waived or discounted non-recurring charges, and the prorated contracted preparation fee. The total of the termination charges may not exceed six percent (6%) of the total contract amount.²

5. BellSouth provided an addendum executed by the customer stating that the customer was aware of competitive alternatives available to it in Tennessee and that the customer and BellSouth have agreed on the termination provisions and that the termination charges represent a reasonable estimate of BellSouth's damages in the event of termination.

6. BellSouth supplied cost data which indicates that the price of services offered under the CSA exceed their long-run incremental costs. This data indicates that BellSouth has complied with the statutory price floor established in Tenn. Code Ann. § 65-5-208(c).


7. No parties sought to intervene in this docket.

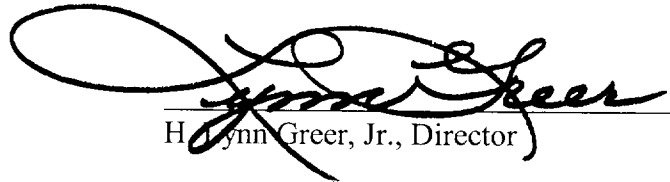
Based upon the foregoing, the Directors unanimously determined that the CSA in this docket should be granted.

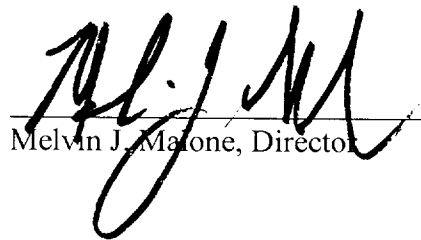
² These termination provisions are consistent with BellSouth's proposal set forth in its September 11, 2000 letter filed in Docket No. 00-00627, *BellSouth Telecommunications, Inc. Tariff to Offer Contract Service Arrangement (TN00-2108-02)*, and accepted by the Authority in Docket No. 00-00720, *BellSouth Telecommunications, Inc. Tariff for Contract Service Arrangement (MS 99-8999-00)*

IT IS THEREFORE ORDERED THAT:


BellSouth Telecommunications, Inc.'s Tariff No. 00-00724, which seeks approval of Contract Service Arrangement No. TN99-3327-00, is hereby granted.


Sara Kyle, Chairman


H. Lynn Greer, Jr., Director


Melvin J. Malone, Director

ATTEST:


K. David Waddell, Executive Secretary